ROUTING AND TRANSMITTAL SLIP

Date: 22 MAR 1985

TO: (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1. LD/DDA		
2. ADDA		
3. DDA		
4. STAT		
5. DDA Reg (file)		

	Action		File		Note and Return
	Approval		For Clearance		Per Conversation
	As Requested		For Correction		Prepare Reply
	Circulate	X	For Your Information		See Me
	Comment		Investigate		Signature
	Coordination		Justify		

REMARKS

STAT

Sent O/OL and C/PMS/OL STAT

ajg 3/25/85

STAT

STAT /-

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)	Room No.—Bldg.
	Phone No.

5041-102

☆ GPO : 1983 O - 381-529 (301)

OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206

northern telecom

Northern Telecom Inc. Tel. (202) 554-5581
600 Maryland Ave., S. W.
Suite 605
Washington, D. C. 20024

March 15, 1985

Mr. Harry E. Fitzwater
Deputy Director for Administration
Central Intelligence Agency
Washington, DC 20505

Dear Mr. Fitzwater:

I would like to supplement the conversations between our two offices on the scheduled meeting with you on April 15, 1985.

Mr. Edmund B. Fitzgerald, who is Chairman of the Board of Northern Telecom Inc., and President and CEO of Northern Telecom Ltd. and I will be in your office at 10:00 a.m.

A biographical sketch on Mr. Fitzgerald is attached for your convenience. You will note that he has a long history of services as a private sector participant in the national defense area. A brief sketch on Northern Telecom Inc. is also attached for you convenience.

We are looking forward to our meeting with you; please let me hear from you if you need any additional information.

Sincerely,

Norman L. Dobyns
Vice President
Public Affairs

NLD/kch

Encls.

northern telecom

biographical information

Edmund B. Fitzgerald

Edmund B. Fitzgerald, 58, is president and chief executive officer, Northern Telecom Limited, Mississauga (Toronto), Ontario. He was appointed president on May 1, 1982, and chief executive officer on October 1, 1984. He is also a member of the Board Of Directors, Northern Telecom Limited.

Prior to this position, Mr. Fitzgerald was president, Northern Telecom Inc., Nashville, Tennessee, the company's U.S. subsidiary. He joined Northern Telecom in May, 1980. Previously he had been chairman and chief executive officer of a U.S. high-technology company, Cutler-Hammer Inc., Milwaukee. Following a merger of Cutler-Hammer and Eaton Corporation, Cleveland, he was vice-chairman and chief operating officer, industrial products, Eaton Corporation.

...2

Mr. Fitzgerald is a trustee of the Northwestern Mutual Life Insurance co., and is a director of Koppers Co. He is a co-founder of the Milwaukee Brewers major league baseball team and, until recently, served as its chairman.

Mr. Fitzgerald is also chairman of the Committee for Economic Development, Washington, D.C. He is a member of President Reagan's National Security Telecommunications Advisory Committee, the Council of SRI-International, the Advisory Board of the Johns Hopkins University School of Advanced International Studies and a former president of the National Electrical Manufacturers Association. He served for three years as vice-chairman of the Industry Advisory Council of the Department of Defense.

November, 1984

northern telecom

259 Cumberland Bend
Nashville, TN 37228

(615) 256-5900

Background information

NORTHERN TELECOM INC.

Northern Telecom Inc. is a leading American manufacturer and supplier of telecommunications and integrated office systems to the telecommunications industry, businesses, institutions and government. The company's products are sold throughout the U.S. and internationally.

Northern Telecom has about 20,000 employees in the U.S. in 15 manufacturing plants, 15 research and development centers, and in more than 100 marketing, sales and service offices across the nation. Headquartered in Nashville, Tenn., Northern Telecom Inc. is the second largest telecommunications manufacturer in the U.S.

Northern Telecom's 1984 U.S. revenues were more than $2.2 billion. Substantially all of those sales were of products and services manufactured and provided in the U.S.

At the end of 1984, Northern Telecom's assets in the U.S. totaled $1.9 billion. Manufacturing and research and development facilities alone occupy more than 3 million square feet of space with the addition and expansion of facilities in 1984. The company purchased goods and services worth about $1 billion in the U.S. in 1984.

(more)

Currently, a new $25 million headquarters building is under construction in Nashville for occupancy this year. Expansion of the plant in Research Triangle Park, N.C., and the addition of another plant nearby, more than doubled the company's production capacity for digital switches. Another major plant addition has been completed in Santa Clara, Calif., where the company manufactures digital private branch exchanges, and a new customer training facility in Sacramento, Calif., was opened early in 1984. A $42 million program to double the size of the company's plant near Atlanta, Ga., was completed in 1984.

Northern Telecom Electronics, a Northern Telecom subsidiary specializing in the design and manufacture of semiconductor components, completed a $16 million expansion at its West Palm Beach, Fla., facilities and a $4 million expansion at its plant in San Diego, Calif., in 1984.

Northern Telecom's major installations in the U.S., in alphabetical order, are:

Ann Arbor, Mich., where more than 300 employees work in a computer center and research and development installation.

Atlanta, Ga., site of a plant with about 1,500 employees manufacturing digital transmission equipment. Atlanta is also the headquarters of the Integrated Carrier Systems group, one of Northern Telecom's three major operating groups in the U.S.

Concord, N.H., where about 450 employees manufacture data testing and communications network monitoring systems.

Minneapolis, Minn., where about 1,000 employees produce data and word processing systems.

(more)

Moorestown, N.J., where about 350 employees manufacture data testing and communications network monitoring systems.

Morton Grove, Ill., where about 850 employees manufacture the supporting hardware used by telephone companies to interconnect their central switching centers to home and business locations.

Nashville, Tenn., where, in addition to the headquarters of Northern Telecom Inc., the company operates a terminal manufacturing plant. Total employment is approximately 1,300.

Raleigh-Durham area of North Carolina, with four manufacturing plants in the vicinity, where more than 5,000 employees manufacture digital central office switching equipment for telephone companies. This is also headquarters of the Integrated Network Systems group, another of the three major operating units.

Dallas, Tex., where 2,000 employees work in several offices as well as a plant making very large private branch exchanges and switches for resale and other common carriers, and a second plant reconditioning computer equipment. Headquarters of the Integrated Office Systems group is also located in Dallas.

San Diego, Calif., where 350 employees design and manufacture semiconductor components in the company's integrated circuit plant.

Santa Clara, Calif., where some 1,200 employees manufacture digital business communications systems or private branch exchanges.

West Palm Beach, Fla., where 1,200 employees work in two plants manufacturing printed circuit boards and hybrid substrates.

* * *

(more)

Northern Telecom has a sizeable and increasing research and development program in the United States. Research and development is conducted in 10 Northern Telecom locations, in association with its manufacturing operations, and in five laboratories run by BNR, Northern Telecom's research affiliate. BNR labs, with more than 1,000 employees, are located in Atlanta, Dallas, Ann Arbor, Mountain View, Calif., and Research Triangle Park, N.C. More than $275 million was invested in the research and development program in 1984. In the past five years, investment of $650 million in new research and development labs, new plants and equipment has added 7,000 people to the Northern Telecom payroll in the U.S.

Products and systems for Northern Telecom's OPEN World program will receive a major portion of research and development expenditures in the future. Announced in 1982, OPEN World is an acronym for Open Protocol Enhanced Networks, the company's committed approach to bring order out of information chaos.

As one element of the OPEN World, Northern Telecom is making available to other equipment manufacturers the proprietary protocols used with the company's switching systems. This will permit a great variety of information management equipment and products to work together efficiently on a single system.

* * *

To provide capital equipment financing for Northern Telecom customers, the company has a wholly-owned financial marketing subsidiary. Northern Telecom Finance Corporation (NTFC) offers a wide range of financing programs and

(more)

services, including purchase financing, leases, interim financing, tax exempt financing and federal government financing. Headquartered in Nashville, Tenn., NTFC has offices across the country.

* * *

Northern Telecom pioneered the full-scale application of digital technology to telecommunications when it announced the Digital World in 1976. Today Northern Telecom designs, manufactures and supplies the industry's only complete line of fully digital switching and transmission systems. Globally, Northern Telecom has sold or has on order the equivalent of nearly 27 million lines of fully digital switching and transmission systems -- more than any other company in the world. These systems are used by hundreds of telephone companies around the world and virtually all of the major telephone companies in North America. Northern Telecom is the largest supplier of digital switching systems in the U.S., and is the largest supplier of digital communications systems to the U.S. military.

* * *

Northern Telecom has one of the broadest product portfolios of any manufacturer in the industry. Its product lines include:

<u>The Meridian line of office system products</u>.

- The Meridian SL-1 and the Meridian SL-100 integrated services networks, which include the private branch exchange function. The Meridian SL Family provides integrated voice and data communications for 30 to 30,000 telephone lines, whether in a single building or across the

(more)

nation. They also provide a wide range of software-driven services and features. SL systems are in use in 59 countries.

- The Meridian DV-1 Data Voice System, which integrates voice and data communications and provides a high-capacity (2.56 megabits per second) channel to every desk, on existing telephone wiring. The Meridian DV-1 is designed for organizations and departments with 100 or fewer people.

- A range of Meridian terminals, including a multi-function desk-top terminal, integrating voice and data features, and sets for business use. The Meridian Touchphone M3000 is a sleek, sophisticated terminal on which a touch-sensitive liquid crystal display screen takes the place of the dial pad.

Telephone central office switching and equipment. Computer-controlled Digital Multiplex System (DMS) switches provide telephone companies with local, long-distance and international digital switching capabilities. The DMS Family of central office switches is substantially more compact, reliable, economic and efficient than previous generations of analog equipment. DMS systems have been sold to telephone companies, including 21 of the 22 Bell operating companies, and other common carriers, and to the U.S. government for specialized military applications.

Network systems. Switching systems are manufactured for use by resale and other common carriers and by large organizations with a need for extensive private networks. The SL-10 packet switching system, which bundles data into units of information called packets, provides an efficient and accurate means of communicating data. The U.S. Federal Reserve System handles fund transfers of more than $100 trillion a year on its 18-node SL-10 system.

(more)

Distributed data processing (DDP) and related integrated office systems. The company supplies DDP systems including on-line terminals, data entry, and remote batch systems, as well as printers, disk storage drives and magnetic tape drives. The company's Displayphone integrated voice and data terminals offer simultaneous voice and data communications capabilities in a small desk-top terminal. Introduced in 1982, Displayphone was the world's first integrated voice and data terminal.

Business and residential telephones and accessories. A full line of business and specialty telephone products are manufactured and sold to telephone companies and to distributors and retail outlets for consumer purchase.

Transmission systems. Transmission systems and equipment are sold to telephone companies and organizations with private networks. The application of digital technology to transmission reduces the size and amount of electronics and equipment necessary, and increases the quality of the signal. The company is also a leader in the development and application of fiber optics systems.

Test systems products. The company manufactures and markets voice and data test equipment, primarily to telecommunications companies and to organizations with data communications networks.

* * *

Northern Telecom Inc. is a wholly-owned subsidiary of Northern Telecom Limited, Mississauga (Toronto), Canada, the world's largest supplier of fully digital telecommunications systems.

* * *

012985